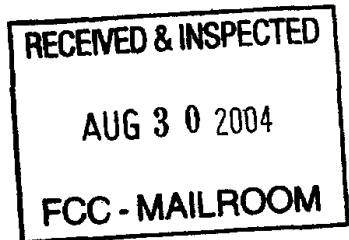


August 27, 2004

To:

**Federal Communications Commission
Office of the Secretary
445 - 12th Street, SW
Washington, DC 20554**



From:

DOCKET FILE COPY ORIGINAL

**David Manzo
Kearny Christian Academy (KCA)
172 Midland Ave.
Kearny, NJ, 07032
(201) 998-9460**

CC Docket No. 02-6

Re: Request for Review

Funding Year 2002-2003
Form 471 Application Number: 307730
Funding Request Number(s): 799863, 799889
Billed Entity Number: 227328

Request for Review:

USAC Administrator's Decision on Appeal – Funding year 2002-2003

Thank you for the opportunity to appeal this decision by the USAC/SLD.

This request for review is being done in conjunction between Pure Logic (service provider spin #143007531) and Kearny Christian Academy (school participant). It is being rendered from the KCA perspective because the relationship between the service provider DCS and Kearny Christian Academy is what is in question. Pure Logic possesses no relevant background information on any of these issues.

No. of Copies rec'd 0
List ABCDE

We wish to state from the outset that had we be informed within the SLD Funding Commitment Adjustment letter of the specific claims being made against (KCA) Kearny Christian Academy (such as those put forth in the appeal denial letter). We would have

directly addressed the specific issues in our original Request for Appeal letter submitted to SLD.

We attempted to contact SLD regarding the decision however officially they were unable or unwilling to provide any clarification or information regarding the Commitment adjustment letter. As a result, we were compelled to provide overviews to a number of areas hoping we hit the correct one.

We (Kearny Christian Academy) received the same Administrators Decision on Appeal letter that Pure Logic received in response to our 4 page Appeal Letter. Subsequently with no way to verify and in lieu of not missing the deadline of 60 days in filing and appeal with the FCC we are drafting this response in conjunction with this document.

We will address our appeal and responses in respect to each assertion made by the USAC/SLD.

A review of the Form 470 reveals that the applicant's Form Identifier is the Form 470 number. Standard services are sought for each service category, and the service or function and quantity and/or capacity was written in all capital letters.

As stated in our first appeal we were assisted by several church members/attendees. One in particular (Bob Ferrano, CPA) had some background in grant writing and was familiar with the E-Rate program. He approached me one day and discussed his background and offered to help us investigate any applicable education grant programs. He indicated upfront that he had advised other schools with their programs but did not go into detail because of a non-disclosure agreement he had with them.

Mr. Ferrano assisted as a volunteer he was still recovering from a dual organ transplant he had undergone (which can be verified). He indicated he wanted to do some good especially for the church all he requested for recompense was some prayer for his health.

He was not an E-Rate provider; he provided only basic information about the E-rate Program, technology plan and the application process, in addition to locations on the web to look for information. This fully complied with the posted SLD website rules (included below). We had 3 total meetings including the introduction meeting.

He never suggested we work with any specific e-rate service provider nor did he attempt to influence us one way or the other. He instructed us that pricing was the primary consideration as far as the program was concerned. I was already acquainted with much of this because of my participation in an SLD workshop at an education convention.

Mr. Ferrano did assist with some questions I had when filling out the Form 470 on-line, suggested some syntax based upon his experience (form number and requirements). In addition to some on-line examples for service categories declarations (generic descriptions) as proof I have included 2 corresponding examples that could be viewed on the SLD website (posted Form 470s). These documents were posted before KCA 470 was and as you will see one of these documents also has used all uppercase typing as well.

As a matter of record, I processed and signed the Form 470 (my signature can be verified). I am the official contact person for all inquires and Bid/SOW submissions governing Kearny Christian Academy (as stated in all documents and logged phone calls to the SLD).

We believe that this assistance in no way invalidated our participation in the program for the following reasons:

- He was not an E-Rate service provider nor to our knowledge affiliated with one
- We were not compensating him, nor was he authorized to represent us
- All input was advisory and limited, other than his knowledge of the process and websites. We only had 3 meetings.
- His input did not skew the desired goal of the documents to be unbiased, which they are
- He was not involved with the competitive bidding process or bid/SOW evaluation, he has no technical skills or acumen of any significance.
- He did not exert any influence and/or pressure us to work with anyone. He indicated that price was the primary consideration of choice.
- He did nothing that violated posted SLD website compliance rules.
- Mr. Ferrano involvement ended after the 470 was posted, having no technical skills his help was no longer necessary
- His involvement in other schools/business was not our responsibility, nor our business. We had no knowledge of the specific nature or level of work being done with other institutions.

Furthermore, the fields of information on the Form 470 being cited by the SLD are generic in nature. They have no skewed impact nor provide and unfair advantage to one Service provider over another.

This is in full compliance with SLD website program requirements (see below) taken from the Service Provider Manual, especially since the assistance was not from a Service Provider or some claiming an affiliation.

FCC Form

Approval by OMB
3060-0806**470****Schools and Libraries Universal Service
Description of Services Requested
and Certification Form**

Estimated Average Burden Hours Per Response: 4.0 hours

This form is designed to help you describe the eligible telecommunications-related services you seek so that this data can be posted on the Fund Administrator website and interested service providers can identify you as a potential customer and compete to serve you.

Please read instructions before beginning this application.

(To be completed by entity that will negotiate with providers.)

Block 1: Applicant Address and Identifications**Form 470 Application Number:** 755040000401239**Applicant's Form Identifier:** ERATE-YR-5**Application Status:** CERTIFIED**Posting Date:** 12/14/2001**Allowable Contract Date:** 01/11/2002**Certification Received Date:** 01/17/2002**1. Name of Applicant:**
CHAD SCHOOL**2. Funding Year:**
07/01/2002 - 06/30/2003**3. Your Entity Number**
7087**4a. Applicant's Street Address, P.O.Box, or Route Number**

308 S 9TH ST

City
NEWARK**State**
NJ**Zip Code**
07103-2111**b. Telephone number**
(973) 622- 1061**c. Fax number**
(973) 622- 3448**d. E-mail Address****5. Type Of Applicant**

- ☒ Individual School (individual public or non-public school)
☐ School District (LEA; public or non-public [e.g., diocesan] local district representing multiple schools)
☐ Library (including library system, library branch, or library consortium applying as a library)
☐ Consortium (intermediate service agencies, states, state networks, special consortia)

6a. Contact Person's Name: FRANCINE THORNTON

First, fill in every item of the Contact Person's information below that is different from Item 4, above. Then check the box next to the preferred mode of contact. (At least one box **MUST** be checked.)

6b. Street Address, P.O.Box, or Route Number☒ 308 S 9TH ST**City**
NEWARK**State**
NJ**Zip Code**
07103-2111**EXAMPLE 470 POSTING**

<input checked="" type="checkbox"/>	6c. Telephone Number (973) 622- 1061
<input checked="" type="checkbox"/>	6d. Fax Number (973) 622- 3448
<input checked="" type="checkbox"/>	6e. E-mail Address

Block 2: Summary Description of Needs or Services Requested

7 This Form 470 describes (check all that apply):

a. ☒ Tariffed services - telecommunications services, purchased at regulated prices, for which the applicant has no signed, written contract. A new Form 470 must be filed for tariffed services for each funding year.

b. ☒ Month-to-month services for which the applicant has no signed, written contract. A new Form 470 must be filed for these services for each funding year.

c. ☒ Services for which a new written contract is sought for the funding year in Item 2.

d. ☒ A multi-year contract signed on or before 7/10/97 but for which no Form 470 has been filed in a previous program year.

NOTE: Services that are covered by a signed, written contract executed pursuant to posting of a Form 470 in a previous program year OR a contract signed on/before 7/10/97 and reported on a Form 470 in a previous year as an existing contract do NOT require filing of a Form 470.

What kinds of service are you seeking: Telecommunications Services, Internet Access, or Internal Connections? Refer to the Eligible Services List at www.sl.universalservice.org for examples. Check the relevant category or categories (8, 9, and/or 10 below), and answer the questions in each category you select.

8 ☒ Telecommunications Services
Do you have a Request for Proposal (RFP) that specifies the services you are seeking ?

a. ☒ YES, I have an RFP. It is available on the Web at or via (check one):
☐ the Contact Person in Item 6 or ☐ the contact listed in Item 11.

b. ☒ NO, I do not have an RFP for these services.

If you answered NO, you must list below the Telecommunications Services you seek. Specify each service or function (e.g., local voice service) and quantity and/or capacity(e.g., 20 existing lines plus 10 new ones). See the Eligible Services List at www.sl.universalservice.org for examples of eligible Telecommunications Services. Remember that only eligible telecommunications providers can provide these services under the universal service support mechanism. Add additional lines if needed.

Service or Function:	Quantity and/or Capacity:
LOCAL AND LONG DIST. SERVICE	ENTIRE SCHOOL AS NEEDED
CELLULAR SERVICE	ENTIRE SCHOOL AS NEEDED
PAGER SERVICE	ENTIRE SCHOOL AS NEEDED

9 ☒ Internet Access
Do you have a Request for Proposal (RFP) that specifies the services you are seeking ?

a. ☒ YES, I have an RFP. It is available on the Web at or via (check one):
☐ the Contact Person in Item 6 or ☐ the contact listed in Item 11.

b. ☒ NO, I do not have an RFP for these services.

If you answered NO, you must list below the Internet Access Services you seek. Specify each service or

function (e.g., monthly Internet service) and quantity and/or capacity (e.g., for 500 users). See the Eligible Services List at www.sl.universalservice.org for examples of eligible Internet Access services. Add additional lines if needed.

Service or Function:	Quantity and/or Capacity:
T1 LINE(S)	ENTIRE SCHOOL AS NEEDED
DSL LINE(S)	ENTIRE SCHOOL AS NEEDED
ISP CHARGES	ENTIRE SCHOOL AS NEEDED

10 ☒ Internal Connections

Do you have a Request for Proposal (RFP) that specifies the services you are seeking ?

a ☒ **YES**, I have an RFP. It is available on the Web at or via (check one):
☐ the Contact Person in Item 6 or ☐ the contact listed in Item 11.

b ☒ **NO**, I do not have an RFP for these services.

If you answered **NO**, you must list below the Internal Connections Services you seek. Specify each service or function (e.g., local area network) and quantity and/or capacity (e.g., connecting 10 rooms and 300 computers at 56kbps or better). See the Eligible Services List at www.sl.universalservice.org for examples of eligible Internal Connections services. Add additional lines if needed.

Service or Function:	Quantity and/or Capacity:
WIRING, CAT5, FIBER	ENTIRE SCHOOL AS NEEDED
LAN UPGRADES	ENTIRE SCHOOL AS NEEDED
WIRELESS LAN SOLUTIONS AND SERVICES	ENTIRE SCHOOL AS NEEDED
MAINT CONTRACT	ENTIRE SCHOOL AS NEEDED
DISTANCE LEARNING	ENTIRE SCHOOL AS NEEDED
SWITCHES, ROUTERS AND HUBS	ENTIRE SCHOOL AS NEEDED

11 (Optional) Please name the person on your staff or project who can provide additional technical details or answer specific questions from service providers about the services you are seeking. This need not be the contact person listed in Item 6 nor the signer of this form.

Name: _____ Title: _____

Telephone number

() - _____

Fax number

() - _____

E-mail Address _____

12. ☒ Check here if there are any restrictions imposed by state or local laws or regulations on how or when providers may contact you or on other bidding procedures. Please describe below any such restrictions or procedures, and/or provide Web address where they are posted and a contact name and telephone number for service providers without Internet access.

13. If you intend to enter into a multi-year contract based on this posting or a contract featuring an option for voluntary extensions you may provide that information below. If you have plans to purchase additional services in future years, or expect to seek new contracts for existing services, summarize below (including the likely timeframes).

Block 3: Technology Assessment

FCC Form

Approval by OMB
3060-0806**470**

Schools and Libraries Universal Service Description of Services Requested and Certification Form

Estimated Average Burden Hours Per Response: 4.0 hours

This form is designed to help you describe the eligible telecommunications-related services you seek so that this data can be posted on the Fund Administrator website and interested service providers can identify you as a potential customer and compete to serve you.

Please read instructions before beginning this application.

(To be completed by entity that will negotiate with providers.)

Block 1: Applicant Address and Identifications

Form 470 Application Number: 76160000392013
Applicant's Form Identifier:
Application Status: CERTIFIED
Posting Date: 12/05/2001
Allowable Contract Date: 01/02/2002
Certification Received Date: 01/16/2002

1. Name of Applicant: CLARK SCHOOL		
2. Funding Year: 07/01/2002 - 06/30/2003	3. Your Entity Number 6563	
4a. Applicant's Street Address, R.O.Box, or Route Number 671 PARK AVE		
City EAST ORANGE	State NJ	Zip Code 07017-1502
b. Telephone number (973) 673- 3550	c. Fax number () -	
d. E-mail Address		
5. Type Of Applicant		
<input checked="" type="radio"/> Individual School (individual public or non-public school) <input type="radio"/> School District (LEA; public or non-public [e.g., diocesan] local district representing multiple schools) <input type="radio"/> Library (including library system, library branch, or library consortium applying as a library) <input type="radio"/> Consortium (intermediate service agencies, states, state networks, special consortia)		
6a. Contact Person's Name: Mada Orrell		
First, fill in every item of the Contact Person's information below that is different from Item 4, above. Then check the box next to the preferred mode of contact. (At least one box MUST be checked.)		
6b. Street Address, P.O.Box, or Route Number		
<input checked="" type="radio"/> 671 PARK AVE		
City EAST ORANGE	State NJ	Zip Code 07017-1502

EXAMPLE 470 POSTING

<input checked="" type="checkbox"/>	6c. Telephone Number (973) 673- 3550
<input checked="" type="checkbox"/>	6d. Fax Number () -
<input checked="" type="checkbox"/>	6e. E-mail Address

Block 2: Summary Description of Needs or Services Requested

7 This Form 470 describes (check all that apply):
a. <input checked="" type="checkbox"/> Tariffed services - telecommunications services, purchased at regulated prices, for which the applicant has no signed, written contract. A new Form 470 must be filed for tariffed services for each funding year.
b. <input checked="" type="checkbox"/> Month-to-month services for which the applicant has no signed, written contract. A new Form 470 must be filed for these services for each funding year.
c. <input checked="" type="checkbox"/> Services for which a new written contract is sought for the funding year in Item 2.
d. <input type="checkbox"/> A multi-year contract signed on or before 7/10/97 but for which no Form 470 has been filed in a previous program year.
NOTE: Services that are covered by a signed, written contract executed pursuant to posting of a Form 470 in a previous program year OR a contract signed on/before 7/10/97 and reported on a Form 470 in a previous year as an existing contract do NOT require filing of a Form 470.

What kinds of service are you seeking: Telecommunications Services, Internet Access, or Internal Connections? Refer to the Eligible Services List at www.sl.universalservice.org for examples. Check the relevant category or categories (8, 9, and/or 10 below), and answer the questions in each category you select.

8 ☒ Telecommunications Services

Do you have a Request for Proposal (RFP) that specifies the services you are seeking ?

a. ☒ **YES**, I have an RFP. It is available on the Web at or via (check one):
☒ the Contact Person in Item 6 or ☐ the contact listed in Item 11.

b. ☒ **NO**, I do not have an RFP for these services.

If you answered NO, you must list below the Telecommunications Services you seek. Specify each service or function (e.g., local voice service) and quantity and/or capacity (e.g., 20 existing lines plus 10 new ones). See the Eligible Services List at www.sl.universalservice.org for examples of eligible Telecommunications Services. Remember that only eligible telecommunications providers can provide these services under the universal service support mechanism. Add additional lines if needed.

Service or Function:	Quantity and/or Capacity:
Local telephone service	entire school(s) as needed
Long distance telephone service	entire school(s) as needed
cellular service	entire school(s) as needed
pager service	entire school(s) as needed
PBX equipment/install/maintenance	entire school(s) as needed
Homework Hotline	entire school(s) as needed
Cable TV access	entire school(s) as needed
Leased data circuits	entire school(s) as needed
T-1 line(s), DSL, ISDN, DS-1	entire school(s) as needed
Frame Relay Service, Frac T-1	entire school(s) as needed
Video Conferencing, Distance Learning	entire school(s) as needed
Local loops	entire school(s) as needed

Maintenance, Installations Fees	entire school(s) as needed
Professional Services	entire school(s) as needed

9 ☒ Internet Access**Do you have a Request for Proposal (RFP) that specifies the services you are seeking ?**

a ☒ **YES**, I have an RFP. It is available on the Web at or via (check one):
☐ the Contact Person in Item 6 or ☐ the contact listed in Item 11.

b ☒ **NO**, I do not have an RFP for these services.

If you answered **NO**, you must list below the Internet Access Services you seek. Specify each **service or function** (e.g., monthly Internet service) and quantity and/or capacity (e.g., for 500 users). See the Eligible Services List at www.sl.universalservice.org for examples of eligible Internet Access services. Add additional lines if needed.

Service or Function:	Quantity and/or Capacity:
T-1, DSL, 56K Dial-up, ISDN Line (s)	entire school(s) as needed
Wireless LAN Solution(s)	entire school(s) as needed
ISP fees/service	entire school(s) as needed
Maintenance/Monitoring/Mgmt. service	entire school(s) as needed
Filtering service software, firewall	entire school(s) as needed
Video conferencing, distance learning	entire school(s) as needed
E-mail, Web, DHCP, DNS, Protocol Srvcs.	entire school(s) as needed
Bundled and Unbundled Access	entire school(s) as needed
Servers, switches, routers, LAN equipment	entire school(s) as needed
Per Diem including travel	entire school(s) as needed
Professional Services	entire school(s) as needed
Leasing and shipping fees	entire school(s) as needed
Programming, configuration, & Install. charges	entire school(s) as needed

10 ☒ Internal Connections**Do you have a Request for Proposal (RFP) that specifies the services you are seeking ?**

a ☒ **YES**, I have an RFP. It is available on the Web at or via (check one):
☐ the Contact Person in Item 6 or ☐ the contact listed in Item 11.

b ☒ **NO**, I do not have an RFP for these services.

If you answered **NO**, you must list below the Internal Connections Services you seek. Specify each **service or function** (e.g., local area network) and quantity and/or capacity (e.g., connecting 10 rooms and 300 computers at 56kbps or better). See the Eligible Services List at www.sl.universalservice.org for examples of eligible Internal Connections services. Add additional lines if needed.

Service or Function:	Quantity and/or Capacity:
wiring/cabling (CAT5; 5e; 6; Fiber)	entire school(s) as needed
LAN Infrastructure	entire school(s) as needed
servers, hubs, routers, switches	entire school(s) as needed
wireless solutions & supporting svc.	entire school(s) as needed
Racks, UPS, miscellaneous data equip.	entire school(s) as needed
PBX & supporting equipment/service	entire school(s) as needed
Distance Learning/Video Conferencing	entire school(s) as needed
Maintenance/Installation/Support	entire school(s) as needed
Security/Filtering/Firewall	entire school(s) as needed
Systems Up-grades	entire school(s) as needed

The following excerpt is taken from the SLD website.

Proper assistance in Form 470 process

Basic information about the Program and process

It is permissible for Service Providers, acting in a neutral, advisory role, to provide basic information about the E-rate Program and the application process. Customers should be directed to the official source of information, the SLD web site. **Service Providers should familiarize themselves with the web site, especially the Reference Area listings and What's New, in order to be able discuss the E-rate Program with customers.**

Assist in Request for Proposal (RFP) development

The FCC understands that applicants sometimes need to seek assistance from service providers in developing RFPs. Such assistance is permissible even if the service provider plans to submit a bid in response to that RFP as long as the service provider's assistance is neutral. For example, RFPs may not be written in such a way that only the service provider who rendered the assistance could win the bid. Or, an applicant may not reveal information to the service provider assisting in the preparation of the bid that the applicant does not share with all prospective bidders. These are just two examples of assistance that would not be considered neutral. If you need further assistance in determining whether actions are permissible, **send an email** or call the Client Service Bureau at 1-888-203-8100.

Assist customers with technology plan requirement

Familiarize customers with Program requirements

Information about the Technology Plan requirements can be found in the Reference Area of the SLD web site. **Service Providers should be familiar with that material and may review it with their customers.**

Provide technical assistance

Service Providers may offer technical assistance on the development of a technology plan, so long as that assistance can be interpreted as neutral and in no way as having an undue influence on the applicant's ability to conduct a fair and open competition for the necessary technology services and products.

<http://www.sl.universalservice.org/vendor/manual/chapter5.asp>

Upon review of the Item 25 documentation that was submitted by the applicant, it was determined that identical language exists for all six competitive bidding questions for applicants

Impossible, the 6 competitive bidding questions was responded to solely by KCA during our first Selective Review conducted by the SLD in 10/2003 (document included in this appeal) approximately 4 – 6 months after DCS had been removed from the project. This fact was documented in our first selective review.

We would request that SLD be compelled to produce this identical language document. We are sure that its perusal will prove that the documents are different and exonerate KCA.

We have included our original document from the selective review in this appeal review document to ensure there is no confusion or mistakes in its review.

Moreover, this assertion by the SLD is incoherent. It is far-fetched to believe that DCS would provide any aid to Kearny Christian Academy after we:

- Officially removed Diversified Computer Solutions from the project
- Registered a compliant against DCS with the USAC/SLD
- Subsequently had all of the FRN's SPUN away from them (DCS) to 2 new Service providers.

Additionally, there is no longer a mechanism in place for DCS to receive a payment. Does SLD think the new service providers were going to roll-over and pay DCS for a contract they now own?

The scenario suggested by SLD is incorrect, unworkable and implausible.

Information regarding the competitive Bidding process and vendor selection

- 1) Requests for Proposals
 - a. Attached
- 2) Bid Responses
 - a. A bid response was received from only one E-Rate approved service supplier Diversified Computer Solutions
- 3) Vendor Selection Process
 - a. Only one bid was received for each FRN. Posted on SLD website for over a month
 - b. After 45 days we chose to engage the only service provider who had contacted us and supplied a bid response to RFP.
- 4) Contracts and/or other agreements
 - a. SOW - included
- 5) Consulting Agreements
 - a. None
- 6) Correspondence
 - a. N/A - only one service provider bid on the project

ITEM 25 competitive bidding QUESTIONS
from selective review 10/2003

Memo

To: Diversified Computer Solutions

From: David Marzco, Technology Director, KCA

CC: file

Date: 01/04/02

Re: Request for Proposal

Kearny Christian Academy is a progressive education institution supporting grades K through 12. KCA has supported the education needs of the community for over 20 years. KCA is committed to pursuing a proactive approach toward developing its students into computer and Internet savvy individuals to more readily prepare them for the outside and business world.

Technology permeates our culture and our daily lives and its influence and impact is clearly growing every day. The Internet is not only an immense source of knowledge and experience for the student but it is also become an e-commerce juggernaut influencing business and opportunities. We plan on building curriculum and Internet based education programs designed to prepare our students to make the most of this new paradigm and possibly prepare them for careers in related technology fields.

We are looking for a service provider that can supply KCA with the necessary expertise and resources to build a robust, scalable industry standard system network environment that is fully Internet enabled.

The following proposal outlines base Service Provider requirements followed by project specification/deliverables.

1. BASE SERVICE PROVIDER ESSENTIAL REQUIREMENTS OVERVIEW:

- Strong knowledge of industry standard technology solutions especially Web enabled products
- Strong hands-on experience with networking technologies such as TCP/IP, CISCO, 3COM products; as well as LAN, WAN, VPN, Firewall design and implementation
- Strong hands-on experience with Windows2000 Server, Exchange, ADS, IIS, Internet Explorer 5, Windows XP professional
- Demonstrated expertise in building system network and secure Internet connectivity
- Established telecommunication specialist and service supplier
- Solid business references

The following will outline the exact project specifications/requirements for the KCA Internet enablement project. The bidder will be expected to produce a design document plus explanation that clearly defines the implementation of all of the requirements below.

- o Design and implementation of a LAN network consisting of 40 desktops and 8 printer infrastructure, with content filtered, secure access to the Internet and email
- o T1 Internet access
- o 37 room cable plant of CAT5E connectivity
- o Multiple Server environment design (Windows 2000 OS) necessary to support
 - ❖ MS Exchange 2000
 - ❖ Terminal Server
 - ❖ DNS/DHCP/ADS
 - ❖ File and Print Server
 - ❖ IIS, content management solution
- o Submit a Network design topology
- o Voice/IP PBX solution for 2 school sites
- o Remote Access solution using VPN
- o Cost effective Content filtering solution
- o Project Plan with timeline
- o Statements of Work were applicable

2. PRICING AND RESPONSE TIMES

These specifications/deliverables should be met with an aggressive pricing model as possible. A response should be made to indicate interest in the RFP within 5 days (phone call is sufficient), and a formal SOW or bid within 10 business days of contacting KCA. A meeting and site walk-through will be scheduled once interest in the RFP is official. Please contact me at (201) 998-8460 for any information regarding this project.

The fax back template includes identical wording and what appears to be the same handwriting.

This assertion is absolutely incorrect and a source of considerable consternation for KCA considering the fact that **we did not use the write-in Fax back templates provided by the USAC/SLD.**

We produced and submitted our Fax back templates (items in question Page2, Page3) as complete Microsoft Word documents (typed documents).

Our documents were not hand written. (Please see attached)

What source material is SLD using for this review?

E-Rate Implementation

- Complete all parts of the initial E-Rate implementation (2002 - 2003).
- Replace 20 desktops with new workstation hardware and monitors (\$20,000 purchase 2003).
- Install/configure XP Office Professional software on new workstations (\$8,000 investment 2003). Develop training curriculum.
- Train school teachers and administrators in new technology environments, create workshops for both computer and internet training and usage.
- Create email user accounts for teachers, staff and generic user base for students.
- Setup remote access (VPN) for teacher/staff.
- Refurb audiovisual multimedia room for use as workshop/development lab for internet based video productions and education.
- Implement School Minder an internet based school management system that automates school administration process and provides information conduit for parents of students via the internet and email.
- Develop accredited computer and internet training curriculum for students.
- Setup/upgrade school Website.
- Build dedicated Computer/Internet education/testing LAB (2004 - \$8,000).
- Review/discuss/budget using a part time systems administrator (2004).

SELECTIVE REVIEW 10/2003

RESOURCE PLAN: FAX BACK PAGE 2

Resource Plans and Investments:

- An investment of approx. \$20,000.00 has been made in purchasing 20 new workstations (2003)
- An investment of approx. \$6,000.00 has been made in purchasing 20 Windows XP office professional software (2003)
- An investment of approx. \$1,000.00 for School Minder software upgrade a server/internet based school management system will be made in 2003-2004
- An investment of 1,500.00 for system maintenance work (2003)
- Once zoning issue's are settled we are planning to build a Computer LAB/Classroom in the schools basement as a dedicated educational facility for computer and internet curriculum (2004)
- Invested \$2,000 retrofitting a room to serve as a audiovisual multimedia room for internet/streaming video education/programs/projects (2003)
- We are also planning the purchase of Video hardware for the development of internet based video education and student A/V projects and music productions (2004)
- We retain an additional \$40,000 of capital for projects/hardware in (2003)
- We expect to have a IT budget of approximately \$55,000.00 in 2004

SELECTIVE REVIEW 10/2003

Additionally, the technology plan template has identical wording and format to that of other applicants using DCS.

As we clearly stated in our first appeal letter, some of the input for our plan came from **e-ratecentral.com** and the technology plan that was posted on the site. Instead of reinventing the wheel, we used wording from the e-ratecentral.com technology plan that expressed the same things we wanted to do and added substance to our plan.

This was combined with updated and revised planning and information relevant and specific to KCA only and we shared our plans with no one.

As proof, I have included a copy (see attached) of the webpage at e-ratecentral.com that still features the actual technology plan in question as referenced by KCA. This same web site search could have been conducted by SLD during its thorough review circumventing this issue.

This same technology plan has been posted for years on e-ratecentral.com and likely viewed by hundreds and possibly thousands of other e-rate participants.

Sample Technology Goals and Strategies

Appendix 3

Adapted courtesy of Virginia Department of Education

Goal 1

To integrate voice, video and data networks capable of providing communications at the school, division, and national levels.

Strategies

1. Conduct a survey to determine the status of network capabilities for each school division.
2. Develop and distribute guidelines (standards) for building-wide networking to support voice, video, and data.
3. Collaborate with agencies and institutions responsible for design and implementation of statewide and national infrastructure to assure compatibility and connections to all schools (e.g., Title III participation).

Goal 2

To improve teacher and student access to technological resources in classrooms and other learning centers through equitable distribution of grants, equipment, software, and technical assistance.

Strategies

1. Provide a network-ready multimedia microcomputer in K-12 classrooms.
2. Provide for network-ready microcomputers for classrooms to help schools achieve a 5:1 student to microcomputer ratio.
3. Encourage pilot projects to permit students to check out microcomputers for home use.
4. Explore and provide suitable [assistive] devices for special needs students.

Goal 3

Establish extensive training programs and appropriate incentives for teachers to enhance teaching and learning through the use of educational technologies.

Strategies:

1. Establish guidelines and specifications for teacher training.
2. Offer incentives for each educator who completes five graduate-level hours of staff development toward re-certification or endorsements.
3. Expand employment of technology specialists and recommend changes in existing regulations or the creation of new endorsement provisions for professionals in educational technology.
4. Use the recent work of the National Council for Accreditation of Teacher Education (NCATE) to define teacher competencies in areas of instructional technology.

Goal 4

Educators and administrators will have access to technologies that provide for the maintenance, reporting, and analysis of student and administrative data.

Strategies:

1. Adopt a comprehensive, standardized software package to support student and administrative

- data management, analysis, and reporting.
- 2. Study future incorporation of a classroom management system to interface with other administrative software.

Goal 5

A system of ongoing evaluation will be established for assessment of technology applications, teacher preparation, and training.

Strategies:

- 1. Develop tools and a consistent process of data collection that can be used to assess progress in implementing the recommendations of this plan.
- 2. Publish biennial reports showing the assessment of annual data on technology initiatives.

In conclusion, it is our opinion that:

- KCA is wrongly being grouped in and categorized with other schools that may or may not have a problem with their own e-rate process
- We are being black flagged (guilt by association) and penalized because of DCS and its overall failure and mistakes made as a Service Provider
- The SLD is not adhering to and over-reaching its own stated policy due to the increased scrutiny and pressures being placed upon it from governmental sources. This is probably due to the unfavorable press the program and SLD has received lately in the news media due to fraud, waste and mismanagement being uncovered
- We were also told by Scott Donnelly of the SLD (prior to him leaving his job at SLD) that the auditors need to come up with something to justify their positions because they are receiving a lot of pressure and he also felt that we had been lumped in with other schools, because he personally had examined our case and reviewed all of our paper work prior to releasing the E-Rate funding.
- The treatment we have received is full of false accusation and borders on harassment.
- There is significant concern regarding the proficiency of the reviews performed by SLD and its confusion over its handling of the different schools paper work (as shown above).
- Finally all of our dealing with DCS was done in good faith and due diligence. We (KCA) adhered to competitive bidding policy. We were contacted by DCS in response to our 470 posting and check DCS references and exercised due diligence. If DCS had any collusive deals going on with anyone, they were unknown to us and should be addressed directly between DCS and SLD.

On a personnel note this entire episode has crippled our entire technology department at KCA, and will definitely impact the children this year. We provide education services for some of the poorest children in Newark and Union areas in NJ.

We were planning to use this technology infrastructure to better prepare these children for the electronic age and the job market as well as specific computer/Internet courses to prepare and help graduates find good jobs.

In addition a significant degree of liability has been incurred as a result of the incorrect rescind orders issued by SLD. Many of the subcontractors have already been paid for work completed to date. The money was released by the service provider because he felt safe doing so because of 2 thorough review processes we had gone through and the fact SLD released the monies to them.

Our school is now liable for these sums of money causing an unjust and unnecessary drain on our overall resources. If this judgment is not reversed it could possibly threaten the future of the school. This is truly unjust.

One of the most frustrating parts of this is our inability to receive any type of help or information from the SLD in either spoken or written form. We could get no help or clarification other than please refer to the SLD Website??? The Commitment adjustment letter was so vague in its description of the infraction, is this typical procedure not to present specifically what you are accusing someone of so they can adequately defend themselves. We could have cleared this up from the outset. I believed it was innocent until proven otherwise.

We have been advised to elevate this situation and Appeal document to the local Mayor and our Congressional representatives for assistance, however we would rather present our case first to the FCC believing that its accurate and forthright examination of the facts will we correct this situation. We are prepared to contest, as much as is in our power, for our vindication.


We hope we can correct this situation so we can continue on in the program and be able to safely and confidently recommend this program to the many other schools we are associated with nationwide.

Once again we wish to thank the FCC for the opportunity to appeal this decision as rendered by the USAC/SLD. We feel very confident that upon review by the FCC of the facts of this case as presented in rebuttal of the claims made by SLD, will lead to Kearny Christian Academy's vindication and subsequent funds reinstatement of its E-rate program.

If we can provide any additional information regarding this appeal please contact us.

Sincerely,

David Manzo



Associate Pastor
Technology Coordinator
Kearny Christian Academy

(201) 998-9460 office
(973) 454-5222 cell

cc: David Manzo
Kearny Christian Academy
172 Midland Avenue
Kearny, NJ 07032



Universal Service Administrative Company
Schools & Libraries Division

Administrator's Decision on Appeal - Funding Year 2002-2003

July 1, 2004

Joseph Licciardi
Pure Logic
148 West 24th Street
New York, NY 10011

Re: Kearny Christian Academy

Re: Billed Entity Number: 227328
 471 Application Number: 307730
 Funding Request Number(s): 799863, 799889
 Your Correspondence Dated: April 16, 2004

After thorough review and investigation of all relevant facts, the Schools and Libraries Division ("SLD") of the Universal Service Administrative Company ("USAC") has made its decision in regard to your appeal of SLD's Year 2002 Commitment Adjustment Decision for the Application Number indicated above. This letter explains the basis of SLD's decision. The date of this letter begins the 60-day time period for appealing this decision to the Federal Communications Commission ("FCC"). If your letter of appeal included more than one Application Number, please note that for each application for which an appeal is submitted, a separate letter is sent.

Funding Request Number: 799863, 799889
Decision on Appeal: **Denied in full**
Explanation:

- You state on appeal that NFN Associates Inc., dba Pure Logic was not involved in the technology planning process. You state that Pure Logic was only involved in a SPIN change when the original service provider (Diversified Computer Solutions or DCS) disappeared. You also state that the bidding process was long over and projects associated with Kearny Christian Academy were already in before Pure Logic was involved. You close the appeal by stating that you were contracted in a special situation after the equipment was already delivered.
- After a thorough review of the appeal and all relevant documentation, it has been determined that the applicant documentation that was submitted to SLD during the course of the Item 25 Selective Review process indicates similarities in the Form 470 Application Number: 756960000401729 and Technology Plan. A review of the Form 470 reveals that the applicant's Form Identifier is the Form

470 number. Standard services are sought for each service category, and the service or function and quantity and/or capacity was written in all capital letters. Upon review of the Item 25 documentation that was submitted by the applicant, it was determined that identical language exists for all six competitive bidding questions for applicants selecting Diversified Computer Solutions as their vendor. The fax back template includes identical wording and what appears to be the same handwriting. Additionally, the technology plan template has identical wording and format to that of other applicants using DCS. Based on this documentation, it was determined that similarities exist within the Form 470 and Technology Plan which indicate that the original vendor (Diversified Computer Solutions) was improperly involved in the competitive bidding process. Consequently, the appeal is denied in full.

If you believe there is a basis for further examination of your application, you may file an appeal with the Federal Communications Commission (FCC). You should refer to CC Docket No. 02-6 on the first page of your appeal to the FCC. Your appeal must be received or postmarked within 60 days of the date on this letter. Failure to meet this requirement will result in automatic dismissal of your appeal. If you are submitting your appeal via United States Postal Service, send to: FCC, Office of the Secretary, 445 12th Street SW, Washington, DC 20554. Further information and options for filing an appeal directly with the FCC can be found in the "Appeals Procedure" posted in the Reference Area of the SLD web site or by contacting the Client Service Bureau. We strongly recommend that you use the electronic filing options.

We thank you for your continued support, patience, and cooperation during the appeal process.

Schools and Libraries Division
Universal Service Administrative Company